

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

This material contains information affecting the National Defense of the United States within the meaning of the Espionage Laws, Title 18, U.S.C. Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

SECRET

25X1

COUNTRY	East Germany	REPORT	
SUBJECT	Financial Difficulties at Warnowwerft, Warnemuende	DATE DISTR.	16 November 1954
		NO. OF PAGES	2
DATE OF INFO.		REQUIREMENT NO.	RD
PLACE ACQUIRED		REFERENCES	

25X1

This is UNEVALUATED

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
THE APPRAISAL OF CONTENT IS TENTATIVE.
(FOR KEY SEE REVERSE)

- On 21 July 1954, the Warnemuende shipyard VEB Warnowwerft was short two million DME which was to be paid on the following day as wages and salaries. This shipyard is a nonprofit enterprise with planned losses. However, the shortage of funds was not caused by planned losses but by losses incurred outside the plan (Ausserplanmaessige Verluste). On 30 June 1954, the unplanned losses of the shipyards amounted to 3.8 million DME plus 1.7 million DME unplanned losses carried over from 1953. The main cause for the unplanned losses of the enterprise is the extremely high production cost of the ships built there resulting in vessels prices much higher than those on the world market.

25X1

SECRET

25X1

STATE	#X	ARMY	#X	NAVY	#X	AIR	#X	FBI		AEC	
-------	----	------	----	------	----	-----	----	-----	--	-----	--

25X1

NOTE: Washington distribution indicated by "X"; Field distribution by "#".)

Page Denied